



## Information and Help

Contact a licensed producer or company representative for information or help.

If you need further information or help, you may also contact:

INSURANCE DIVISION

STATE OF HAWAII

P.O. Box 3614

Honolulu, Hawaii 96811-3614

Phone: (808) 586-2790

Website: <http://www.state.hi.us/dcca/ins/>



## A CONSUMER'S GUIDE TO



## AUTO INSURANCE IN HAWAII

**Insurance Division  
State of Hawaii**

THIS BROCHURE WAS CREATED FOR YOU – THE HAWAII DRIVER. IT EXPLAINS IMPORTANT FEATURES OF HAWAII'S AUTO INSURANCE SYSTEM. WE HOPE YOU FIND THE INFORMATION USEFUL AS YOU GO THROUGH THE PROCESS OF INSURING YOUR VEHICLE.

## Auto Insurance In Hawaii

Hawaii law provides that no person shall operate or use a motor vehicle upon any public street, road, or highway of this state at any time unless it is insured at all times. You must have the insurance identification card in the insured motor vehicle at all times and must exhibit it to a law enforcement officer upon demand.

### Basic Information You Need to Know

1. Every owner of a car, bus or truck must have insurance.
2. Without insurance, you cannot register your vehicle, and you must immediately surrender your registration and license plates to the County Director of Finance.
3. Driving without insurance includes the following maximum penalties for the first violation:
  - A \$500 fine or 75 – 100 hours of community service work.
  - Suspension of your driver's license for three months, or the vehicle's driver or registered owner must keep a non-refundable insurance policy in force for six months.



## Buying Auto Insurance

**1. Your Application** - You must buy auto insurance from a licensed producer or insurance company authorized to do business in Hawaii. The producer or company representative will answer your questions, help you determine how much insurance you need, and assist you in processing claims.

**2. Your Options** - An insurance company may decline to insure you. However, your producer or representative must offer you coverage through the Hawaii Joint Underwriting Plan.

**3. Your Rights** - An insurance company cannot cancel your policy mid-term unless your license is suspended or revoked, or you do not pay your premium. A company may choose to not renew your policy, but the company must properly notify you and offer you coverage through the Hawaii Joint Underwriting Plan. Before you agree to be placed in the Hawaii Joint Underwriting Plan, you should shop around and check with other producers and company representatives to see if you can get a better price and service.

## Insurance Costs

The cost of your auto insurance policy depends on several factors:

- County you live in
- How you car is used
- At-Fault accidents and violations
- Type of car
- Coverage selected, limits, and deductible
- Any applicable discounts

Note: Present Hawaii law prohibits any premium increase as a result of an accident if you were not at fault.

## How soon will benefits be paid after the accident?

Your insurance company is required to pay Personal Injury Protection (PIP) benefits within 30 days after you supply proof of loss, unless you have been informed in writing that additional information is necessary or that your claim has been denied. If benefits you are owed are not paid within 30 days, your insurance company must pay 1.5% interest per month on the unpaid amounts.

## Can you still sue or be sued?

You can sue or be sued for recovery of property damages. You can sue or be sued for recovery of bodily injury if:

- The injured party has medical bills equal to or exceeding the tort threshold of \$5,000;
- Injury is such that the one of a part or function of the body is lost or permanent and serious disfigurement results; or
- Injury results in death.

## What insurance is required?

You are required by law to have certain minimum levels of coverages.

MANDATORY COVERAGE	MINIMUM REQUIREMENTS
<b>Bodily Injury Liability (BI )</b>  When you are at fault in an accident, pays for accidental injury to or the death of another driver, the other driver's passengers, passengers in your car, and pedestrians.	\$20,000 per person \$40,000 per accident
<b>Property Damage (PD )</b>  When you are at fault in an accident, pays for the repair or replacement of other people's cars or property.	\$10,000 per accident
<b>Personal Injury Protection (PIP )</b>  Pays for auto accident-related injuries regardless of fault for you, passengers in your car, pedestrians, bicyclists, or moped riders.	\$10,000 per person  Pays for medical and rehabilitative expenses according to services provided by prepaid health care plans  30 chiropractic or acupuncture treatments

For some coverages, you can buy higher limits than the minimum required. Your insurance producer or company representative can provide complete details.

## What additional options should you consider?

There are several types of optional coverages that you can purchase for more protection.

TYPE OF COVERAGE:	WHAT IT COVERS:	WHAT'S AVAILABLE:
<b>Collision Coverage or Comprehensive (Other-Than-Collision) Coverage</b>	<ul style="list-style-type: none"><li>● Collision coverage pays, subject to your deductible, for damages to your car caused by collision or upset.</li><li>● Comprehensive or Other-Than-Collision coverage pays, subject to your deductible, for losses to your car caused by theft, fire, windstorm, flood, falling objects, and vandalism.</li><li>● Collision and Comprehensive coverages are limited to the value of your car at the time of the accident or loss.</li></ul>	There are various deductible options. If your car is being financed, the lender may require you to purchase these coverages and may not allow higher deductibles.  Collision and Comprehensive coverages may not be cost-effective for older vehicles.
<b>Uninsured Motorist (UM)</b>	<ul style="list-style-type: none"><li>● Injuries that you and the occupants of your car sustain in an accident caused by a hit-and run, unidentified, or uninsured car.</li><li>● It is for injury only and does not cover damages to your car</li></ul>	Minimum limits of \$20,000 per person and \$40,000 per accident are offered. You may purchase up to your bodily injury liability limit.  If you own more than one vehicle, you may also purchase stacked coverage so that the total of your UM coverage limits is the sum of the UM coverage limits for all cars insured on your policy.
<b>Underinsured Motorist (UIM)</b>	<ul style="list-style-type: none"><li>● Injuries that you and the occupants of your car sustain in an accident if injured by an at-fault insured driver whose bodily injury liability limits are less than the amount of damages that you are entitled to recover.</li><li>● It is for injury only and does not cover damages to your car.</li></ul>	Minimum limits of \$20,000 per person and \$40,000 per accident are offered. You may purchase up to your bodily injury liability limit.  If you own more than one vehicle, you may also purchase stacked coverage so that the total of your UIM coverage limits is the sum of the UIM coverage limits for all cars insured on your policy.

## OTHER OPTIONAL COVERAGES

- **Wage Loss:** Pays for monthly earnings loss for injury arising out of a motor vehicle accident. The coverage ranges from \$500 to \$2000 per month per accident.
- **Alternative Care:** Including naturopathic, acupuncture, nonmedical remedial care, and faith healing
- **Death Benefits:** Coverage ranges from \$25,000 to \$100,000 for death arising out of a motor vehicle accident.
- **Funeral Expenses:** Coverage of \$2000.
- **PIP Deductible:** Lowers the cost of Personal Injury Protection (PIP) coverage if you choose to pay for the first \$100 or more of injury expenses.
- **PIP Managed Care:** Lowers the cost of Personal Injury Protection (PIP) coverage if you choose to treat your injuries with a managed care or specific group of providers.